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Department of Environmental Quality
Office of Environmental Assessment
Environmental Planning Division

AMENDMENT TO THE WASTE TIRE REGULATIONS SW029 RISK/COST BENEFIT STATEMENT (0008Pot1)

Introduction

The Louisiana Department of Environmental Quality (LDEQ) is proposing amendments to the Waste Tire Regulations that would increase the fees on the sale of tires. These fees, designated for the Waste Tire Management Fund, are collected by retailers and remitted to the Department. The increase in fees was authorized by Act 1015 of the 1999 Louisiana Legislature.

The fee increase will provide funding to address the proper collection, processing, and marketing of off-road tires. The rule will affect all retailers selling tires that weigh in excess of 100 pounds. The rule will also effect any consumer who purchases a tire weighing in excess of 100 pounds. At the present time, only passenger and truck tires are included in the Waste Tire Program.

This statement is prepared to satisfy the requirements of R.S. 30:2019(D) and R.S. 49.953(G) (Acts 600 and 642 of the 1995 Louisiana Legislature, respectively). However, this document is not a quantitative analysis of cost, risk, or economic benefit, although costs of implementation were identified to the extent practical. The statutes allow a qualitative analysis of economic and environmental benefit where a more quantitative analysis is not practical. The Department asserts that the benefits of a rule designed to support a legislatively-passed broadening of the waste tire program justify the costs associated with the fee increases.

Therefore, the qualitative approach is taken with this risk/cost benefit statement. As discussed further in this document, these amendments to the Waste Tire Regulations provide environmental and economic benefits. Assessing dollar benefits of avoided environmental risk or economic benefits of this rule is not practicable. In addition, the Department asserts that the indirect and direct environmental and economic benefits to be derived from this rule will, in the judgement of reasonable persons, outweigh the costs associated with the implementation of the rule and that the rule is the most cost-effective alternative to achieve these benefits.

Risks Addressed by the Rule

The fee portion of the rule addresses the risks associated with the pollution caused by improper disposal of off-road tires to include unauthorized waste tire piles consisting of this type tire. The rule does this by bringing off-road tires into the Waste Tire Program with the addition of a fee. The fee will allow the Department, through the Waste Tire Management Fund, to pay waste tire processors for the processing of off-road tires and the marketing of the resulting waste tire material. The payment incentive will encourage waste tire processors to seek out this type tire rather than only accepting passenger tires for processing and marketing.

Numerous risks are associated with the improper disposal of tires, including off-road tires. Unprocessed tires hold water that provides a fertile breeding ground for mosquitoes, which provide an excellent vector for diseases. Unprocessed tires also provide shelter for vermin, such as rats, that are another vector for disease in addition to being a destructive pest. Tire piles may catch fire under certain circumstances. These fires are extremely difficult to extinguish, and they emit noxious gases and thick smoke. Lastly, individual tires or tire piles that litter the landscape are unsightly. Waste tires do not degrade which provides a long-lasting hazard to the environment.

Environmental and Health Benefits of the Rule

The additional money collected through this rule will provide an incentive for waste tire processors to process and market off-road tires. This will result in the removal of off-road tires from parish collection centers, Department of Transportation and Development collection centers, and from private residences and farms. The removal, processing, and marketing of these tires will eliminate potential breeding places of disease-spreading insects and mammals. The removal of these tires would eliminate the possibility of tire pile fires. The rule would also lead to the removal, either to a collection center or processor, of off-road tires stored on farms, as no entity was willing to accept farm tires for disposal or processing previously.

Social and Economic Costs

This rule is an amendment to raise fees that are already assessed in some cases and as such there are no significant costs to implement the rule. The only new fees are on off-road tires that constitute only one percent of the tires sold at the retail level in Louisiana. The rule increases fees on truck tires and places a fee on off-road tires, while retaining the same fee for passenger tires.

Persons purchasing truck tires that weigh in excess of 100 pounds will pay an additional fee of \$4 to \$6, depending on weight, for every truck tire. Persons purchasing off-road tires will pay an average fee of \$20 for a retail purchase. These new fees will generate an estimated \$3,080,000 for the Waste Tire Management Fund. In conjunction with this fee increase, waste tire processors will receive a payment increase from \$1.00 to \$1.50 for every twenty pounds of waste tire material processed and marketed. This will result in an estimated \$3,646,697 of additional funds paid from the Waste Tire Management Fund. The difference in funds received and paid will be made up with waste tire remediation funds. More than 98% of the waste tire sites in the state have been remediated, freeing funds for additional processor payments.

Persons purchasing truck tires will pay additional fees, and persons purchasing off-road tires will pay fees for the first time; however, these fees will provide benefits in excess of the fees. Health hazards will be removed in the form of unauthorized tire piles. The fire hazardous associated with unauthorized piles will also be removed. Lastly, the removal of tire piles and individual off-road tires will aesthetically enhance the state for the benefit of its citizens.

Conclusion

The Department believes that the benefits of enhanced environmental and public health protection, as well as other benefits, outweighs the costs of implementation of the rule. Therefore, the rule is obviously the most cost-effective alternative to achieve these benefits.

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